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Duke Energy Corporation (Duke Energy), through its pipeline subsidiaries, Algonquin Energy, Inc., Texas Eastern Transmission Corp., Maritimes & Northeast and East Tennessee Natural Gas Company, operates an extensive interstate natural gas transmission system. This pipeline system receives natural gas from the major production areas of the Gulf Coast for transportation and sale in the Upper Midwest and Northeastern United States. The operation of this pipeline system is subject to the requirements of Title 49 Code of Federal Regulation Parts 190, 191, 192, 193, and 199.

Duke Energy fully supports the efforts of the Research and Special Programs Administration (RSPA) to improve the quality of information obtained from operators relating to incidents and annual reports. Duke Energy offers the following comments related to the RSPA Notice of Proposed Revision to the Incident and Annual Report forms for Natural Gas Transmission and Gathering Pipelines.

Incident Report

RSPA has proposed significant changes to the Incident Report form. These include expanded leak and rupture categories, property damage categories and cause categories. Duke Energy believes this additional clarification will assist RSPA in more effective accident trend analyses and ultimately focus regulatory efforts on those areas that are most problematic. We would advise RSPA that if they continue to maintain the 30-day reporting deadline, it is highly likely that supplemental reports will be necessary, as the details required for the revised report cannot always be determined within the reporting window.

Annual Report

While RSPA has not proposed many changes to the Annual Report form, the substance of those proposed changes is significant. The report currently requires reporting of pipeline miles by diameter; the new report would also require breakdowns of mileage by decade of installation and by class location.

The additional detail required for the Annual Reports is burdensome. While some operators possess sophisticated computer databases of pipeline information, not all have the capability to retrieve the detail and extent of information required on the new form. Even operators such as Duke Energy, who do maintain an extensive database, face significant burden in programming queries for information retrieval.

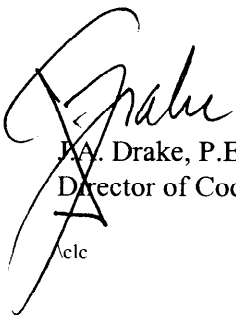
Additionally, the recent industry trend toward operator consolidation complicates the information maintenance and retrieval burden for operators as they may have only recently acquired a particular pipeline system, and the database information on that system may not be up to par with the rest of the operator's pipelines.

The proposed report would require mileage by decade of installation. Duke Energy requests clarification from RSPA of the term "decade of installation". Does this mean installation date or in-service date? Often these dates are not the same.

Finally, Duke Energy questions the justification of the significant burden of requiring a separate Annual Report for the pipeline in each state. For Duke Energy alone, the number of required reports increases from four to 26. The estimated preparation burden increases from about one week to three weeks. While Duke Energy recognizes some benefit to providing a mileage breakdown by state, we fail to see the necessity of providing the mileage by state and then additionally divided by diameter, by class location, and by decade of installation. We would suggest a simple breakdown by state on a single report for each operating company as a more reasonable means of reporting the information RSPA desires.

We hope that these comments assist RSPA in revising the Incident and Annual Report forms for Natural Gas Transmission and Gathering Pipelines. If you have any questions or require any additional information, please contact me at 713-627-6385.

Sincerely,



P.A. Drake, P.E.
Director of Codes, Mapping and Metallurgical Services

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